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Letter dated 31 December 2010 from the Chairman of the Security Council Committee established pursuant to resolution 1737 (2006) addressed to the President of the Security Council

I have the honour to transmit herewith the report of the Security Council Committee established pursuant to resolution 1737 (2006) (see annex), which covers the Committee's activities during the period from 1 January to 31 December 2010. The report is submitted in accordance with the note by the President of the Security Council of 29 March 1995 (S/1995/234).

(*Signed*) Tsuneo **Nishida**
Chairman
Security Council Committee established
pursuant to resolution 1737 (2006)

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Annex

Report of the Security Council Committee established pursuant to resolution 1737 (2006)

I. Introduction

1. The present report of the Security Council Committee established pursuant to resolution 1737 (2006) covers the period from 1 January to 31 December 2010.

2. During the reporting period, the Bureau consisted of Yukio Takasu (until 29 August 2010), and then Tsuneo Nishida, of Japan, as Chairman, with the delegation of Nigeria providing the Vice-Chairman. In 2010, the Committee held one informal consultation. The web page of the Committee is available at: http://www.un.org/sc/committees/1737/index.shtml.

II. Background information

3. By its resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1929 (2010), the Security Council imposed certain measures relating to the Islamic Republic of Iran. These include, but are not limited to, a proliferation-sensitive nuclear activities-related and nuclear weapon delivery systems-related embargo, a ban on the export and procurement of any arms and related materiel from the Islamic Republic of Iran, a ban on the supply of the seven categories of conventional weapons as defined for the purposes of the United Nations Register of Conventional Arms and related services to the Islamic Republic of Iran, and an assets freeze and a travel ban on designated individuals and/or entities with exemptions, as specified.

4. In resolution 1929 (2010), among other things, under the conditions and circumstances, as specified, the Council called for the inspection of cargo to and from the Islamic Republic of Iran and authorized the seizure and disposal of items identified during inspection, the supply of which to the Islamic Republic of Iran is prohibited. Moreover, under the circumstances as specified, the Council introduced a ban on the provision of bunkering and other servicing of Iranian vessels and decided that all States shall exercise vigilance when doing business with Iranian entities, including those of the Islamic Revolutionary Guard Corps and the Islamic Republic of Iran Shipping Lines. A hand-out that comprehensively describes the measures imposed pursuant to the four aforementioned resolutions can be found on the Committee web page.

5. The Security Council Committee established pursuant to resolution 1737 (2006) was initially entrusted with undertaking the tasks set out in paragraph 18 of the resolution: to seek from States information regarding the actions they have taken to implement effectively the relevant measures and whatever further information it might consider useful in that regard; to seek from the International Atomic Energy Agency (IAEA) information regarding the actions taken by the Agency to implement effectively the relevant measures concerning the technical cooperation provided to the Islamic Republic of Iran by IAEA and whatever further information it might consider useful in that regard; to examine and take appropriate action on information regarding alleged violations of the relevant measures of resolution 1737 (2006); to consider and decide upon requests for exemptions from the relevant

measures; to determine as may be necessary additional items the supply of which to the Islamic Republic of Iran would be prohibited; to designate as may be necessary additional individuals and entities as subject to the assets freeze and the travel notification requirement; to promulgate guidelines as may be necessary; and to report at least every 90 days to the Council. By its resolutions 1803 (2008) and 1929 (2010), the Council broadened the scope of the mandate of the Committee to include the measures imposed in resolutions 1747 (2007) and 1803 (2008) and the measures decided in resolution 1929 (2010).

6. In carrying out its mandate, in accordance with resolution 1929 (2010), the Committee is assisted by the Panel of Experts appointed by the Secretary-General for an initial period of one year.[1] The tasks of this Panel, which works under the direction of the Committee, include to gather, examine and analyse information from States, relevant United Nations bodies and other interested parties regarding the implementation of the measures decided in resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1929 (2010), in particular incidents of non-compliance; to make recommendations on actions the Council, or the Committee or State, might consider to improve implementation of the relevant measures; to provide to the Council an interim report on its work no later than 90 days after the Panel's appointment (by 5 February 2011) and a final report to the Council no later than 30 days prior to the termination of its mandate with its findings and recommendations (by 10 May 2011).

III. Summary of the activities of the Committee

Work programme

7. In paragraph 27 of resolution 1929 (2010), the Security Council decided that the Committee shall intensify its efforts to promote the full implementation of resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1929 (2010), including through a work programme covering compliance, investigations, outreach, dialogue, assistance and cooperation, to be submitted to the Council within 45 days of the adoption of the resolution, by 24 July 2010. The Committee approved such a work programme and transmitted it to the Council on 23 July.

Consolidated list of individuals and entities

8. On 19 August 2010, the Committee issued an updated consolidated list of individuals and entities subject to, with certain exemptions, the travel ban and/or assets freeze, thereby reflecting the designated names and entities contained in annexes I-III of resolution 1929 (2010). The consolidated list is available on the Committee website. A de-listing request was submitted by one of the designated entities through the focal point process outlined in the annex to Security Council resolution 1730 (2006), and will be addressed by the Committee in accordance with the same resolution. Two communications, dated 18 February and 15 June 2010, respectively, were also received by the Committee from two States concerning the travel of an individual whose name was similar to that of a designated individual; based on the information provided by one of those States, it was confirmed that the individual who travelled was not the same person as the designated individual.

[1] See S/2010/576.

Implementation reports received from Member States and implementation assistance notice and hand-out issued by the Committee

9. By the end of the reporting period, the Committee had received a total of 92 reports under paragraph 19 of resolution 1737 (2006), 79 reports under paragraph 8 of resolution 1747 (2007), 68 reports under paragraph 13 of resolution 1803 (2008), and 45 reports under paragraph 31 of resolution 1929 (2010). Some of these were combined reports under more than one resolution. Unless a State had requested that its report be kept confidential, the reports were issued as United Nations documents and posted on the Committee web page (see the appendix to the present report for details).

10. On 20 January 2010, following the receipt in October 2009 of reports by the Committee from two Member States on a transfer of arms-related materiel from the Islamic Republic of Iran in violation of paragraph 5 of resolution 1747 (2007), the Committee approved the text of a second "implementation assistance notice"; this contained information about the violation, which the Committee believed might be useful to Member States in implementing their obligations under the relevant resolutions. The first implementation assistance notice addressed the arms-related materiel discovered on board the vessel *M/V Monchegorsk*. This second notice addressed the arms-related materiel found on board the vessel *M/V Hansa India*. Both notices are available on the Committee website.

11. On 1 November 2010, the Committee approved the above-mentioned hand-out describing implementation by States of resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1929 (2010). The aim of preparing that document was to assist Member States in meeting their responsibilities under the four resolutions. The hand-out was transmitted through a note verbale to all Member States and is also available on the Committee website.

Notifications and requests for exceptions received from Member States and the International Atomic Energy Agency

12. By paragraph 5 of resolution 1737 (2006) and paragraph 8 of resolution 1803 (2008), the Security Council requires States to notify the Committee of the supply, sale or transfer of all items, materials, equipment, goods and technology covered by document S/2006/814 (subsequently superseded by the lists of items in INFCIRC/254/Rev.9/Part 1 and INFCIRC/254/Rev.7/Part 2) the export of which to the Islamic Republic of Iran is not prohibited by subparagraph 3 (b) of resolution 1737 (2006) and subparagraph 8 (a) of resolution 1803 (2008). During the period under review, the Committee received eight notifications from a Member State of the delivery of items for use in the nuclear power plant in Bushehr, Islamic Republic of Iran, in the context of paragraph 5 of resolution 1737 (2006). The Committee also addressed the matter of an intended delivery of items for use in that plant.

13. Subparagraph 13 (b) of resolution 1737 (2006) provides for an exception to the assets freeze for extraordinary expenses, as determined by the relevant States and subject to a Committee decision. The Committee received and granted one such request for exception.

14. Subparagraph 13 (d) of resolution 1737 (2006) provides for an exception to the assets freeze for activities directly related to the items specified in subparagraphs 3 (b) (i) and (ii) of the resolution, which have been notified by the

relevant States to the Committee. The Committee received one such notification from IAEA.

15. Paragraph 15 of resolution 1737 (2006) provides for an exception to the assets freeze for making or receiving payments, or authorizing the unfreezing of funds, in connection with contracts entered into prior to the listing of persons or entities. The Committee received five such notifications from Member States, with additional specific information provided in relation to one of those notifications on two further occasions.

Ninety-day reports to the Security Council

16. Under the provisions of subparagraph 18 (h) of resolution 1737 (2006), the Chairman must report to the Security Council at least every 90 days on the Committee's activities. Accordingly, the Chairman briefed the Council on 4 March, 28 June, 15 September and 10 December 2010.[2]

Responses to queries received from Member States

17. As part of its role of assisting Member States in the implementation of the measures imposed by the Security Council in resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1929 (2010), the Committee responded to six written queries. These queries concerned the following issues: the scope of the proliferation-sensitive nuclear activities-related and nuclear weapon delivery systems-related embargo; the scope of the assets freeze; reasons for designating an entity as subject to the assets freeze; confirmation that certain individuals and entities were not subject to the travel ban and/or assets freeze; and disposal of arms-related materiel that was seized as it was being transferred in violation of the ban on the export and procurement of arms and related materiel from the Islamic Republic of Iran.

IV. Violations and alleged violations of the sanctions regime

18. During the period under review, the Committee received two new reports of violations of paragraph 5 of resolution 1747 (2007) which imposed a ban on the export and procurement of arms and related materiel from the Islamic Republic of Iran. In connection with a previously reported violation, which was recorded in the 2009 annual report of the Committee,[3] by a letter dated 12 January 2010 the reported State of destination of the arms-related materiel, the Syrian Arab Republic, asserted to the Committee that the allegations made against it were false, and that the vessel *MV Francop* had not been carrying any materiel that pertained to it. In connection with the same vessel, by a letter dated 23 April 2010, another State provided further information on the vessel's activities.

19. In the first new case, by a letter dated 12 November 2010 (received 15 November), a Member State informed the Committee that, at one of its wharfs, its security authority had inspected and seized 13 shipping containers of illegal arms reportedly originating from the Islamic Republic of Iran, and that a comprehensive report on the results of its investigations would be forthcoming. The Committee responded, inter alia, by recommending that the Member State retain and store the

[2] See S/PV.6280, S/PV.6344, S/PV.6384 and S/PV.6442.

[3] See S/2009/688, paras. 19 and 22-24.

seized containers until the Committee had concluded its consideration of the matter, and encouraged the Member State to invite the Panel of Experts, as appropriate, to visit and inspect the seized containers.

20. In the second case, by a note verbale dated 23 November 2010, a Member State informed the Committee that, at one of its harbours, its customs and border authorities had inspected and seized a container onboard the vessel *MS Finland*, originating from the Islamic Republic of Iran and destined for the Syrian Arab Republic, which contained a high-potential explosive known as T4 or RDX. Further investigations were being carried out by the Member State. As in the first case, the Committee dispatched a response with appropriate guidance to this State.

21. On 15 November 2010, the Committee also approved a fact sheet explaining the respective roles of the Committee and the Panel of Experts in investigating and responding to reported violations of the sanctions regime. The fact sheet was transmitted through a note verbale to all Member States and is also available on the Committee's web page.

22. In informal consultations on 10 December 2010, the Panel of Experts informed the Committee of its intention to visit the two reporting States, with the agreement of those States, in the near future.

Observations and recommendations

23. The primary responsibility for the implementation of the measures imposed by the Security Council rests with Member States. The Committee has noted with grave concern that the apparent pattern of sanctions violations involving prohibited arms transfers from the Islamic Republic of Iran, first highlighted publicly by the Committee a year ago, is continuing. Violations by Member States of their obligations under the Charter of the United Nations are a serious matter. For its part, in facilitating and monitoring the implementation of the relevant measures, the Committee will continue to discharge its mandate as effectively and efficiently as possible, and it stands ready to consider any proposals that fall within its purview. In this respect, the Committee welcomes the assistance of the Panel of Experts and urges all Member States to cooperate fully with the Committee and the Panel.

Appendix

List of reports received from Member States pursuant to paragraph 19 of resolution 1737 (2006), paragraph 8 of resolution 1747 (2007), paragraph 13 of resolution 1803 (2008) and paragraph 31 of resolution 1929 (2010)

Member States	*Reports pursuant to resolution 1737 (2006)*	*Reports pursuant to resolution 1747 (2007)*	*Reports pursuant to resolution 1803 (2008)*	*Reports pursuant to resolution 1929 (2010)*
Albania	S/AC.50/2007/9			
Algeria	S/AC.50/2007/65 (combined report)			
Andorra	S/AC.50/2007/50		S/AC.50/2009/3	S/AC.50/2010/34
Argentina	S/AC.50/2007/57	S/AC.50/2007/57/Add.1-2	S/AC.50/2008/60	
Australia	S/AC.50/2007/27	S/AC.50/2007/70	S/AC.50/2008/19	S/AC.50/2010/5
Austria	S/AC.50/2007/11	S/AC.50/2007/66	S/AC.50/2008/2	S/AC.50/2010/2
Azerbaijan	S/AC.50/2007/107 (combined report)		S/AC.50/2008/44	
Bahrain	S/AC.50/2007/67	S/AC.50/2007/121	S/AC.50/2008/12 and Add.1	
Bangladesh	S/AC.50/2007/47			
Belarus	S/AC.50/2007/41	S/AC.50/2007/77	S/AC.50/2008/16	S/AC.50/2010/27
Belgium	S/AC.50/2007/10	S/AC.50/2007/74	S/AC.50/2008/14	S/AC.50/2010/18
Brazil	S/AC.50/2007/26	S/AC.50/2007/82	S/AC.50/2008/63	S/AC.50/2010/22
Brunei Darussalam	S/AC.50/2008/1 (combined report)		S/AC.50/2008/64	
Bulgaria	S/AC.50/2007/2 and Add.1	S/AC.50/2007/108 and Add.1	S/AC.50/2008/11	S/AC.50/2010/31
Cambodia	S/AC.50/2007/125			
Canada	S/AC.50/2007/33	S/AC.50/2007/75	S/AC.50/2008/5	S/AC.50/2010/35
China	S/AC.50/2007/22	S/AC.50/2007/99	S/AC.50/2008/18	S/AC.50/2010/32
Costa Rica	S/AC.50/2007/71 (combined report)			
Croatia	S/AC.50/2007/15	S/AC.50/2007/117	S/AC.50/2008/61	S/AC.50/2010/47
Cuba	S/AC.50/2007/38	S/AC.50/2007/89	S/AC.50/2008/38	
Cyprus	S/AC.50/2007/128 (combined report)		S/AC.50/2008/65	S/AC.50/2010/20
Czech Republic	S/AC.50/2007/14			S/AC.50/2010/33

Member States	*Reports pursuant to resolution 1737 (2006)*	*Reports pursuant to resolution 1747 (2007)*	*Reports pursuant to resolution 1803 (2008)*	*Reports pursuant to resolution 1929 (2010)*
Denmark	S/AC.50/2007/13	S/AC.50/2007/85		S/AC.50/2010/39
Ecuador	S/AC.50/2007/129 (combined report)			
Egypt	S/AC.50/2007/59	S/AC.50/2007/68	S/AC.50/2008/3	S/AC.50/2010/26 and Add.1
Estonia	S/AC.50/2007/49	S/AC.50/2007/113		S/AC.50/2010/19
Finland	S/AC.50/2007/19	S/AC.50/2007/97	S/AC.50/2008/26	S/AC.50/2010/8
France	S/AC.50/2007/17	S/AC.50/2007/84	S/AC.50/2008/39	S/AC.50/2010/24
Georgia	S/AC.50/2007/29			S/AC.50/2010/11
Germany	S/AC.50/2007/37	S/AC.50/2007/98	S/AC.50/2008/15	S/AC.50/2010/15
Ghana	S/AC.50/2007/136			
Greece	S/AC.50/2007/60	S/AC.50/2007/122		
Grenada	S/AC.50/2007/140			
Guatemala	S/AC.50/2007/100 (combined report)		AC.50/2008/33	S/AC.50/2010/36
Hungary	S/AC.50/2007/81 (combined report)		S/AC.50/2008/59	
India	S/AC.50/2007/20	S/AC.50/2007/123	S/AC.50/2008/49	
Indonesia	S/AC.50/2007/5		S/AC.50/2008/10	
Ireland	S/AC.50/2010/1 (combined report)			
Israel	S/AC.50/2007/141 (combined report)		S/AC.50/2009/4	
Italy	S/AC.50/2007/25	S/AC.50/2007/103	S/AC.50/2008/47	S/AC.50/2010/41
Jamaica			S/AC.50/2008/21	
Japan	S/AC.50/2007/16	S/AC.50/2007/79	S/AC.50/2008/24	S/AC.50/2010/12
Jordan	S/AC.50/2007/119 (combined report)		S/AC.50/2008/17	
Kazakhstan	S/AC.50/2007/39	S/AC.50/2007/102	S/AC.50/2008/36	
Kuwait	S/AC.50/2007/118 (combined report)		S/AC.50/2008/57 and Add. 1	
Kyrgyzstan	S/AC.50/2007/53	S/AC.50/2008/50	S/AC.50/2008/53	
Latvia	S/AC.50/2007/62	S/AC.50/2007/91		
Libyan Arab Jamahiriya	S/AC.50/2007/61	S/AC.50/2007/69	S/AC.50/2008/51	
Liechtenstein	S/AC.50/2007/31		S/AC.50/2008/27	

Member States	*Reports pursuant to resolution 1737 (2006)*	*Reports pursuant to resolution 1747 (2007)*	*Reports pursuant to resolution 1803 (2008)*	*Reports pursuant to resolution 1929 (2010)*
Lithuania	S/AC.50/2007/34	S/AC.50/2007/90	S/AC.50/2008/55	
Luxembourg	S/AC.50/2007/64			
Malta	S/AC.50/2007/7	S/AC.50/2007/63	S/AC.50/2008/35	S/AC.50/2010/16
Mauritius	S/AC.50/2007/35 and Add.1	S/AC.50/2007/106	S/AC.50/2008/58	
Mexico	S/AC.50/2007/58	S/AC.50/2007/94	S/AC.50/2008/45	S/AC.50/2010/29
Monaco	S/AC.50/2007/130	S/AC.50/2007/126		
Morocco	S/AC.50/2009/2 (combined report)			S/AC.50/2010/14
Namibia				S/AC.50/2010/42
Netherlands	S/AC.50/2007/48	S/AC.50/2007/73	S/AC.50/2008/32	S/AC.50/2010/10
New Zealand	S/AC.50/2007/36	S/AC.50/2007/132	S/AC.50/2008/22	S/AC.50/2010/6
Niger	S/AC.50/2007/135 (combined report)			
Norway	S/AC.50/2007/6	S/AC.50/2007/93	S/AC.50/2008/4	
Oman	S/AC.50/2008/62 (combined report)			
Pakistan	S/AC.50/2007/12	S/AC.50/2007/96	S/AC.50/2008/6	S/AC.50/2010/17 and Add.1
Panama	S/AC.50/2007/139 (combined report)			
Peru	S/AC.50/2007/44	S/AC.50/2007/86	S/AC.50/2008/41	S/AC.50/2010/30
Philippines	S/AC.50/2007/137 (combined report)		S/AC.50/2009/1	
Poland	S/AC.50/2007/43	S/AC.50/2007/95	S/AC.50/2008/37	
Portugal	S/AC.50/2007/56	S/AC.50/2007/111	S/AC.50/2008/30	S/AC.50/2010/43
Qatar	S/AC.50/2007/24 and Add.1	S/AC.50/2007/87 and Add.1	S/AC.50/2008/25	S/AC.50/2010/44
Republic of Korea	S/AC.50/2007/51	S/AC.50/2007/115	S/AC.50/2008/28	S/AC.50/2010/9
Republic of Moldova	S/AC.50/2007/127 (combined report)			
Romania	S/AC.50/2007/30	S/AC.50/2007/101	S/AC.50/2008/52	S/AC.50/2010/38
Russian Federation	S/AC.50/2007/8 and Add. 1	S/AC.50/2007/92 and Add. 1	S/AC.50/2008/13 and Add.1	S/AC.50/2010/4 and Add.1
San Marino				S/AC.50/2010/40
Saudi Arabia	S/AC.50/2007/120		S/AC.50/2008/56	

Member States	Reports pursuant to resolution 1767 (2007)	Reports pursuant to resolution 1737 (2006)	Reports pursuant to resolution 1803 (2008)	Reports pursuant to resolution 1929 (2010)
Serbia	S/AC.50/2007/52	S/AC.50/2007/131		S/AC.50/2010/45
Singapore	S/AC.50/2007/45	S/AC.50/2007/116	S/AC.50/2008/43	S/AC.50/2010/28
Slovakia	S/AC.50/2007/42	S/AC.50/2007/78	S/AC.50/2008/9	
Slovenia	S/AC.50/2007/23		S/AC.50/2008/54	
South Africa	S/AC.50/2007/4	S/AC.50/2008/40 (combined report)		
Spain	S/AC.50/2007/55	S/AC.50/2007/112	S/AC.50/2008/46	S/AC.50/2010/46
Sri Lanka		S/AC.50/2007/133		
Suriname	S/AC.50/2007/138 (combined report)			
Sweden	S/AC.50/2007/21	S/AC.50/2007/83		S/AC.50/2010/3
Switzerland	S/AC.50/2007/40	S/AC.50/2007/109	S/AC.50/2008/20	S/AC.50/2010/37
Thailand	Not published	Not published	S/AC.50/2008/29	S/AC.50/2010/23
The former Yugoslav Republic of Macedonia	S/AC.50/2007/1	S/AC.50/2007/114	S/AC.50/2008/42	
Turkey	S/AC.50/2007/32			
Ukraine	S/AC.50/2007/80 (combined report) and Add.1 (combined report)		S/AC.50/2008/7	S/AC.50/2010/13
United Arab Emirates	S/AC.50/2007/46	S/AC.50/2007/104		
United Kingdom of Great Britain and Northern Ireland	S/AC.50/2007/3	S/AC.50/2007/72	S/AC.50/2008/31	S/AC.50/2010/25 S/AC.50/2010/21
United States of America	S/AC.50/2007/18	S/AC.50/2007/88	S/AC.50/2008/34	S/AC.50/2010/7
Uruguay		S/AC.50/2007/134 and Add.1	S/AC.50/2008/8	
Uzbekistan	S/AC.50/2007/124 (combined report)		S/AC.50/2008/23	
Viet Nam	S/AC.50/2007/54	S/AC.50/2007/110	S/AC.50/2008/48	
Yemen	S/AC.50/2007/76			
Non-Member States/Observers				
European Union (Germany)	S/AC.50/2007/28	S/AC.50/2007/105		